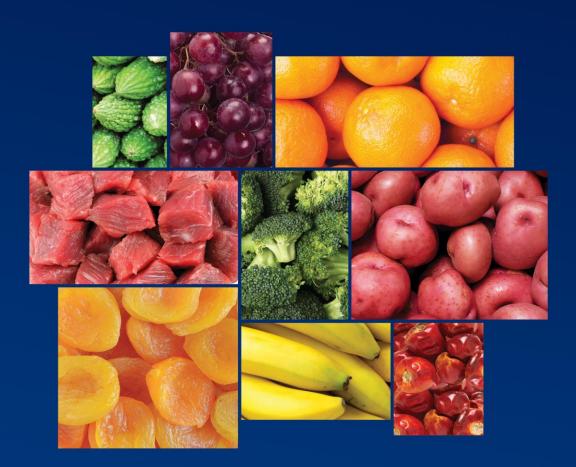






# Agribusiness Trade Show Participation Handbook



Together we are creating a ROSHAN PAKISTAN

#### **The Agribusiness Project - Agribusiness Support Fund**

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## I. Introduction

The main reason businesses exhibit in trade shows is to generate business by writing orders at the show, providing quotes, and acquiring leads and contacts for future sales. Trade shows also are a place for introducing new products to existing customers and show new customers existing products, all within a short period of time. International shows provide an entrée into new markets that would otherwise be difficult to establish. Furthermore, exhibitors can take time to walk the show to find trends and innovations in products and packaging and assess the competition. The downside of trade shows is the expense and the second one is that the increased sophistication of the Internet has facilitated business-to-business communications and product research. As a result, a common complaint is that "there are too many shows", making it even more critical to research thoroughly which shows are best, to prepare well for the shows selected, to maximize booth operations at the show, and to capitalize on contacts and leads generated by making a strong post-show follow up.

The Harvard Business Review published an article to answer the question "Do trade shows pay off?" and observed: "Hence, the question really becomes whether the trade show can demonstrate a positive ROI through incremental sales and profits, in addition to the sales already being generated by the sales force. Trade shows "pay off' when their effects can be isolated, but to be considered cost-effective, they must also "pay off' when their effects are mixed with the effects of other elements in the promotion mix." <sup>1</sup>

Success is best achieved when objectives and goals are set prior to deciding on which show to participate in and subsequently guide management and staff on selecting the best show. Before deciding upon a trade show, companies should review and prioritize objectives, which should be aligned with the overall marketing strategy of the company. Following are some of the key objectives that most businesses seek to achieve through participation in trade shows:

- Assessing the competition (other companies and countries)
- Conducting market research on trade and tariffs
- Expanding the company profile in the market
- Increasing sales of existing products
- Introducing new products / packaging
- Learning more about the industry technical standards
- Meeting and acquiring new customers
- Reinforcing relationships with existing customers

#### **Selling Objective**

#### **Non-selling Objective**

Current Customer

- Reinforce business relationship
- Communicate with key accounts
- Problem-solving ongoing business
- Stimulate add-on sales

- Reinforcing the company profile / image
- Market test new products or packaging
- Update market research on trade/tariffs
- Learn about technical developments

**New Customer** 

Make new contacts

- Determine customer needs
- Have face-to-face introduction
- Get order or quote for sale

- Expanding network / building up database
- Nurture company image
- Market test products / packaging
- Assessing stance among the competition

Source: Adapted from Thomas V. Bonoma, "Get More Out of Your Trade Shows,"

As the promotion unit promotes its services in international trade shows, buyers and investors can use the exporter directory to find suppliers and even identify partners. An agricultural promotion organization can undertake trainings on trade shows, international business practices and value chain constraints and opportunities – to give the exporter the necessary information to make the right business decisions. An important facet of trade show optimization is to develop capacity of service providers and businesses is to conduct training of trainers to develop overall capacity to deliver market development training.

# II. Deciding on the Show

# A. Conducting Comparative Research to Identify Trade Shows

The decision to do a show can be challenging and requires research in order to make the right decision. A first consideration is how to pay for the show. Support from the national trade agency — or a project — that will cover most or at least some of the costs will help but such funding is not always available. Secondly, what show or shows do you target and how do you go about the decision-making process? There are many ways a company can gather

information on a particular trade show in order to decide on exhibiting. Most trade show organizers promote their shows by providing data on the number of exhibitors and visitors who have attended the previous year, as well as the product categories that the show focuses on.

For Pakistani agricultural exporters who are new exhibitors to a show, networking with the industry for feedback on other Pakistani companies experience is a good place to start. There are many ways to obtain information on international trade shows worldwide. Websites dedicated to this maintain databases of tradeshows worldwide that can be searched using keywords, by product categories and by country.<sup>1</sup>

- Search on expodatabase.com for Pakistani companies participating in food shows; list the names of shows and the names of companies exhibiting.
- Review this information with the understanding that the show organizers are in the business of attracting exhibitors and visitors & are thus promoting the positive aspects of the show.
- Other sources of information are countries and competitors whose trade associations promote the shows they participate in (e.g. Australia for meat; South Africa for citrus – See Annex 1 for a list of websites).
- After reviewing what shows are right for your product, go to the show website and get the floor plan to see which booths are available. If the floor plan is not on the website, contact the organizers to assess space availability and location options (halls, section, product categories). Some trade shows provide information on their website to calculate costs. Websites for shows familiar to Pakistani companies include:

www.anuga.com	www.agramiddleeast.com	www.fruitlogistica.com	www.foodexsaudi.com
www.gulfood.com	www.sial.com	www.sialchina.com	www.worldfood- moscow.com

- Once a short list of shows is developed, obtain a floor plan and discuss space availability options and obtain location options (sections, categories), estimate important costs (travel, booth fees, decoration, shell scheme packages, drayage, shipping), and gather background information on the show:
- Read show reviews in international trade journals and web blogs. For example a post about Anuga a few years ago reported "This year, the attendance seems down, with fewer people on the show floor and less energy than in years past. The catchphrase

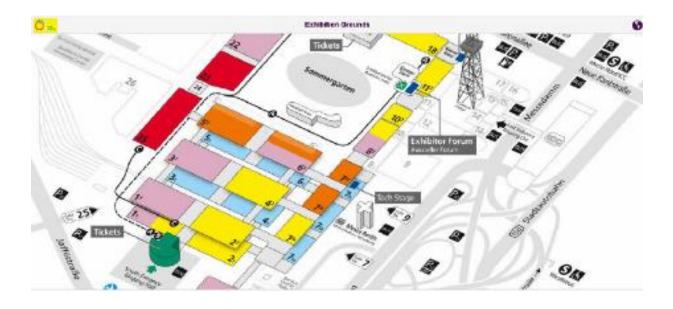
3

<sup>&</sup>lt;sup>1</sup> Examples are IAFE - The International Association of Fairs and Expositions (<u>www.fairsandexpos.com</u>) which requires a membership fee and free sites such as <u>www.expodatabase.com</u> where searched by show, by country and company and by product. See Annex 2 for an example of a search

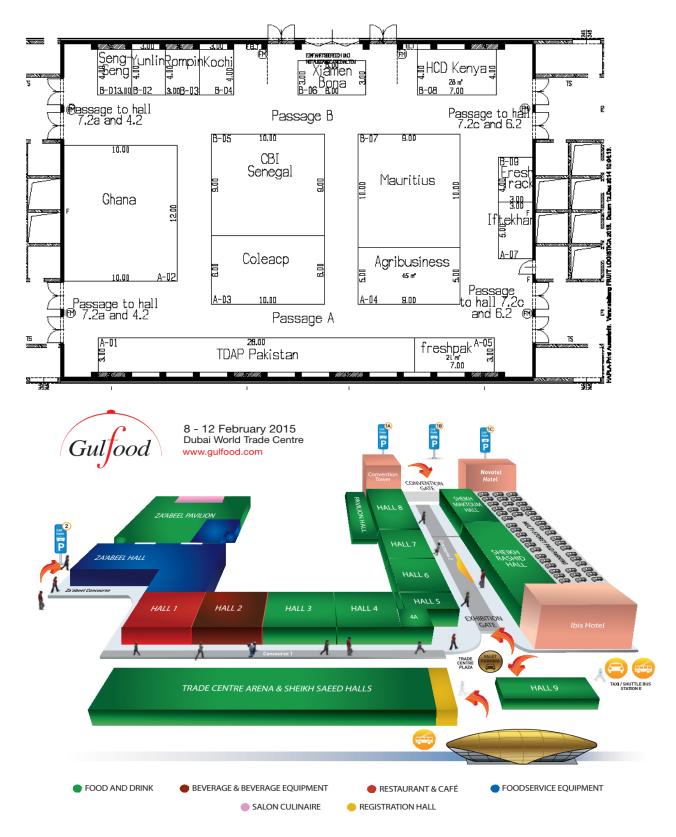
among exhibitors in the U.S. pavilion about sales is: "Flat is the new up." (http://www.montblancgourmet.com/blog/anuga).

- Resources within Pakistan can help in show selection. For FRUITLOGISTICA 2014, an article was posted "Pakistan participates in Fruit Logistica-2014 Fair in Berlin" on February 10, 2014 by AGRINFOBANK. The exhibitor can find out who is quoted in the article and get more frank feedback on the quality of show and relevance for Pakistan.
- Trade Development Authority of Pakistan (TDAP) is a subordinate entity of the Federal Ministry of Commerce in Pakistan with a clear mandate to facilitates trade related activities across all businesses. This includes support programs for exhibiting businesses at all the leading trade shows across the world. (http://www.tdap.gov.pk/)

New exhibitors need to do online market reconnaissance of key visitors who have attended the show (professional contacts, web, buyer lists) and get their opinion on the show. Are they going? If not, do they think there are better shows? Are there good locations for 1<sup>st</sup>- time exhibitors?



Hall 7.2b



If a company is not ready to exhibit but would like to explore the possibility, one option is to attend the show as a visitor. Walking the show in person will help determine the best mix of companies and products and help in the overall decision to do the show in the future. The company can review the floor plan with show management and tour proposed locations for an individual booth, or in the case of Pakistan, consider participating in the Pakistan pavilion (doing this in-person will help assess where the most advantageous locations are). Visiting the show will help in the decision-making by getting a sense of the overall enthusiasm on the floor and finding out from exhibitors and buyers on the quality of the show.

## **B.** Calculating Costs and Benefits

The main challenge for any company in considering a trade show is covering costs. Since the cost of exhibiting varies by show based on size and location (corner booths and peninsulas cost more) for the show being considered, it is important to gather the rough costs for the booth including furnishings and decorations. In general, country pavilions offer packages to qualified companies. When there is a Pakistani country pavilion it will likely be located in a special international section. An exporter doing the show on their own should seek a location in a dedicated product category section, or where similar companies are located.

**Costs:** Because each show is different in what is offered in booth packages, it is important to obtain the details on what is included and the extra costs for what is not included. Basic packages may include shelving, chairs, tables and counters), but other show services may be extra (electricity, lighting, cleaning, wifi, lead scanners, and drayage) and add significantly to total costs. Other major costs to configure are: travel, lodging, shipping and storage, marketing materials and posters, promotions, and salaries.

**Risks:** Besides the obvious risk that a show may turn out to be a disappointment, there are external factors that can affect attendance at the show. These include:

- Weather: Hurricanes, snowstorms, sandstorms, etc. <sup>2</sup>
- Scheduling: Timing of shows is critical: vacation periods or long holiday weekends can lower visitor numbers.
- External Events: Economic downturns, consumer trends, industry restructuring, and unexpected international crises

**Benefits:** Before deciding to exhibit at a trade show, it is important to calculate the potential benefits and estimated results. There are several factors and indicators to consider in ascertaining this:

<sup>&</sup>lt;sup>2</sup> Trade show insurance can help offset losses from adverse weather conditions resulting in decreased attendance and revenues. Example: Exhibitors at the NYNOW show received insurance claims from show management for the 2014 winter show that was affected by harsh winter weather causing buyers to cancel their trips.

- ➤ Does market research data support participating in the show?
- > Testing the introduction of new products to existing customers increases sales
- Being confident that a wide range of customers seeks Pakistani companies and products.
- Seeing upward trends in the product category to be promoted <sup>3</sup>

"The European Union is one of the most attractive markets for Pakistani fruits and vegetables because of its size and the paying capacity of its consumers. Within the EU, Germany, United Kingdom, Belgium, Italy and the Netherlands are major importers of fresh Pakistani fruits and vegetables."

#### C. Show Selection

Having researched shows and calculated costs and benefits, the trade association or project can now decide on the show to participate in. Individual companies can forecast potential sales resulting from the show and decide on the value of doing the show, especially if they have previous experience. A trade show that presents excellent sales opportunities for the product category must match the capacity of the company to supply the market (market windows, consider taste and preferences, etc.). Companies should have plans in place for filling orders and taking quotes, in consideration of lead times necessary to supply a market. It is better to be late than overpromise and not fulfill the expectations of customers.

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<sup>&</sup>lt;sup>3</sup> Source: "Market potential for Kinnow in Europe" by Muhammad Ashraf, former Commercial Counselor of Pakistan to the Netherlands, Published Feb 24, 2014 in Dawn.com (http://www.dawn.com/news/1089046)

# **III. Pre-Show Planning**

## A. Booth Package: Location, Size, and Design

Once the decision is made to participate in the show, the next step is to apply and register for the show. Each show has specific booth packages; based on sq. meter/sq. ft. costs, and depending on the show, will include a structure, furnishings and services. Comparing illustrative 9 sq. meter (10 ft. x 10 ft.) booth packages for Gulfood and Fruitlogistica:

# GULFOOD 2015 Trade Show - Dubai, UAE February 8 - 12, 2015

Booth package includes: booth design & construction, modular system walls, carpeting, fascia board, lighting, electrical outlet, two shelves, one lockable reception counter, one table & two chairs and daily booth cleaning.

9 sqm Corner Booth = **\$7,272** 

# Fruit Logistica Berlin 2015 – Germany February 4<sup>th</sup> – 6<sup>th</sup> 2015

Booth package includes: booth design and construction, modular system walls, header sign, carpeting, lighting, electrical outlet and wifi, two shelves, one showcase counter, one table and 3 chairs, one barstool, and daily booth cleaning.

9 sqm Corner Booth = **\$8,500** (€6,960.00)

With the selection of the show decided, it is time to complete a detailed show budget that includes payments not only for the booth and related show fees, but also for hotel and travel, marketing and promotion, and salaries of managers and staff.

Companies should pay attention to the deadlines for the print directory or show website and submit clear and concise contact information in order to be listed. The company name in the directory should be clear and corresponding to booth signage. Contact information, email addresses and telephone number should be in both local and overseas format, indicating landline and mobile. Companies should describe all product lines and, budget permitting; place an ad in the show directory.

For the Pakistan pavilion at Saudi Foodex, the TAP project designed a booth under the "Discover Pakistan" theme and allocated space for each of the participants (see graphic below). When a project or trade association organizes participation, each company will only have to take care of samples and marketing materials.



When a company is getting their own booth, they will have to consider three options: (1) set up their own booth with whatever minimum draping or wall space the show provides , (2) purchase a booth package offered by the show organizer, (3) hire a contractor to design a custom booth.

For international shows, the easiest solution is usually the booth package offered by the show. For Fruit Logistica for example, there are two booth packages (refered to as a complete stand) offered for individual companies for 12m space, which are: the "basic" and a "classic" design.



MB Capital Services, email: info@mb-capital-services.de, telephone +49(0)30/3067-2015/-2048, fax +49(0)30/3067-2058

Basic fittings	12-29 m²	30-44 m <sup>2</sup>	45-60 m <sup>2</sup>
Octanorm system white, panels in various standard colours, height 250 cm, lockable booth, 2 triangular pillars 50 x 50 x 250 cm	1	1	1
Needle-felt carpeting in various standard colours	yes	yes	yes
Info counter: 100 x 100 x 50 cm, in various standard colours	1	1	2
Power connection	3.3 kW	6.5 kW	6.5 kW
Spots	3	6	8
Multi-plug power points	1	1	2
Lettering on front pillars, maximum of 20 letters with the same logo/text, semi-bold Helvetica	2	2	2
Logo on counter front	1	1	1
Insurance for the rented fittings for the duration of the event	yes	yes	yes
Stand cleaning (one-off basic clean and daily stand cleaning)	yes	yes	yes



MB Capital Services, email: info@mb-capital-services.de, telephone +49(0)30/3067-2015/-2048, fax +49(0)30/3067-2058

12-29 m²	30-44 m²	45-60 m <sup>2</sup>
1	1	1
yes	yes	yes
1	1	2
0	1	2
1	1	2
0	1	1
1	2	2
3	6	8
1	2	2
3.3 kW	6.5 kW	6.5 kW
3	6	8
1	1	2
2	2	2
2	2	2
yes	yes	yes
yes	yes	yes
	1 yes 1 0 1 0 1 3 1 3.3 kW 3 1 2 2 yes	1 1 1 1 1 1 0 1 1 1 1 1 1 1 1 1 1 1 1 1

## B. Advance Marketing: Email, Media, and Appointments

The main objective of pre-show advance marketing is to get noticed and get existing and new customers to come visit the booth. A press release that announces the participation of the company in the show should include the booth information on products as well as contact

information. The press release should be sent to industry journals, the exhibition organizers, and posted on social media as well as the company website. The text can be used for email blasts to invite current customers and target new customers to the booth.

Because international shows bring together so many different countries and cultures, research on norms and business etiquettes will help in building relationships. One easy way to access the source is the Cross-Cultural Marketing resource (see text box) that maintains country guides on all countries and can help guide on how to address different nationalities in email correspondence, as well as taking cultural considerations when meeting and negotiating business. For the email blast to buyers, adding booth information can be a very good attention grabber, as shown by the example below<sup>4</sup>:

Cross-Cultural Marketing Resource: "The Culture Crossing Guide is an evolving database of cross-cultural information about every country in the world. The information posted in our individual country guides is submitted by people who are either natives or residents (or former residents) of the featured countries. Every day additional information is added by community members who have had experiences living, working, studying or traveling in each particular country. "

(http://guide.culturecrossing.net/)



#### Key Tasks before that show:

- Arrange and schedule customer meeting at least one week in advance if possible.
- ➤ Obtain industry overview and buyer list and provide booth numbers; identify potential buyers through database searches, trade journals, and the trade show website.
- There are market information providers that can give exporters in-depth market research and technical information, some as a free public service.

<sup>4</sup> FruitLogistica has a page on their website where companies and project can create their own custom banner: <a href="http://www.fruitlogistica.de/en/Press/LogosBanner/index.jsp">http://www.fruitlogistica.de/en/Press/LogosBanner/index.jsp</a> and there is also a virtual market place for exhibitors to post information on the show website: <a href="http://www.fruitlogistica.de/en/Exhibitors/ExhibitorsProducts/index-2.html">http://www.fruitlogistica.de/en/ExhibitorsProducts/index-2.html</a>

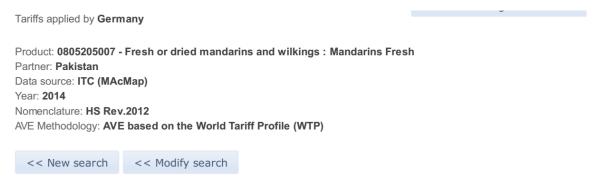
➤ Obtain lists of registered participants for advanced marketing, both from the current and previous year. The show organizers often sell Attendee/Buyer lists.

#### C. Checklist: Pre-show Preparations

Each trade show has its timeline for deadlines, hard deadlines for payments to reserve space, booth design and decorations, and marketing programs and promotions. There are often discounts for payments made by an early set date. Soft deadlines are suggested tasks and activities prior to the show that will make it successful. In the end, the key goal is for the company to get to the show before the opening with business cards, brochures and product samples – at a minimum. All too often, companies schedule travel time that cut too close to the show opening and do not allow enough of a margin for flights delays. It is best to send ahead of time a set of brochures and samples – shipped directly to the booth through the designated show shipping agent, to the hotel using courier services, or to the agent or distributor that a company is working with in the country where the show is held. Additional material and samples can be brought in luggage but it is risky to rely on this. In deciding what to bring to the show, consider the space available (if sharing with others, and what to highlight if you have a range of products.

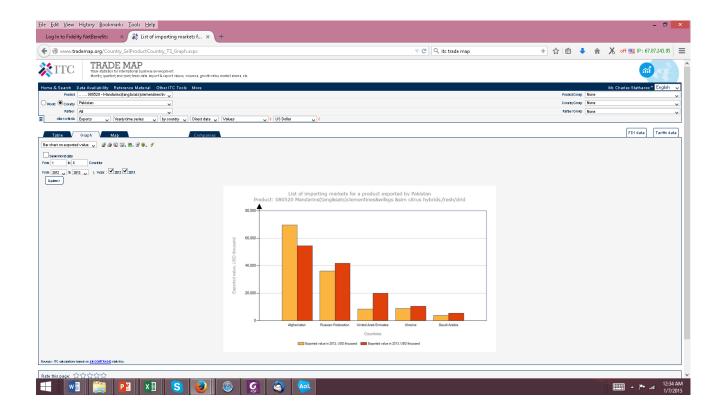
#### D. Market Research on Trade and Tariffs

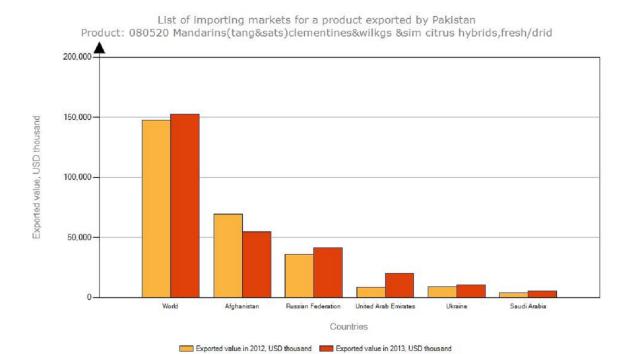
While there are many sources of market information available, through projects and trade associations in Pakistan, or what is available online, product-specific trade and tariff information is not easy to come by. ITC Geneva has implemented a program Market Access Map (MAcMap) that is online and free and can be accessed at <a href="https://www.macmap.org">www.macmap.org</a>.



Tariff regime	Applied tariff (as reported)	Applied tariff (converted)	Total ad valorem equivalent tariff	Tariff quota details		
MFN duties (Applied)	16.00%	16.00%	16.00%			
Preferential tariff for countries beneficiary of the incentive arrangement for sustainable development	0%	0%	0%			

Knowing the duties applied will help the company formulate its pricing for a particular market and add to the credibility of the company when negotiating with new customers. The ITC Trade Map program is also useful for international trade data, imports and exports by country or region for specific products, and can be accessed at <a href="https://www.trademap.org">www.trademap.org</a>.





Another excellent source for trade and production data for agriculture is the Food and Agriculture Organization database – FAOSTAT – which can be accessed <a href="https://www.faostat.fao.org">www.faostat.fao.org</a>

# IV. Working the Show

## A. Booth Set-up: Furniture, Lighting, Posters, etc.

It is important to arrive the day before the opening of the show to check on the booth package, especially if there is construction and decoration that has been ordered ahead of time. Lighting and electric should be working and the carpet, shelving and furniture in place. To be well prepared at opening bring all the necessary accessories for sampling (bowls, cutting boards, napkins, paper or plastic plates and utensils, and toothpicks). If samples are perishable, a cooler or refrigerator (ordered ahead of time) should be on hand to store product for the duration of the show.

- ➤ Bring tools and supplies (double sided tape and Velcro strips are especially useful) and necessary for decoration
- > Set up brochure holders and literature racks
- ➤ Place product posters where the message will come through visibly & clearly
- Any additional booth needs can be ordered at set-up. Each show offers a range of decorations, furnishings, supplies and products that are available before the show at a discount and during set-up at a higher price. Since some items may be sold out by set-up time it is always best to order ahead of time. Discount deadlines are typically 2-3 weeks before the start of the show. A registered exhibitor can find the list and pricing of items provided in the exhibitor manual.

## B. Booth Operations: Badges, Business Cards, Sampling



The most important activity at the trade show is the exchange of business cards — or when available — the scanning of badges. Success relies on attentiveness by exhibitors to visitors walking the aisle, and welcoming them to the booth. In a country pavilion with shared space, each exhibitor should stand at the counter behind their product, facing toward the aisle in the sight of buyers. One problem at shows is that if there is a lull period, exhibitors or staff tend to chat up and take their eyes off the aisle — then lose buyers as they walk by. The natural tendency is for exhibitors to cluster in a circle and talk looking at each other. Exhibitors need to think of themselves as a newscaster looking out at the camera (the buyer) and minimizing eye contact with each other. The photo here shows Pakistani

exhibitors effectively working the booth and their products. Each is standing at their posts, facing the aisle where they will see visitors passing by and visitors will see them with their products. Brochure holders are in place.

Eye contact and a welcoming greeting are important to slow down the buyer and get them to stop and see your product, taste it and ask for literature. An invitation can work better than a question that invites only a yes or no response, or a simple greeting. If an exhibitor says "Please try our kinnow mandarins ", or "Pakistan is a major producer of halal meat" this will engage the buyer. A good "sound bite" can get the special buyer to come in, get interested in the products, and order – at the show or as a follow up customer.

Pay attention to target customers coming down the aisle and try to qualify visitors. Depending on the show the badge may provide information on the company and the position of the visitor. To quickly assess the value of the visitor, if information is not on their badge, introduce yourself and hand over your business card. This will usually prompt the visitor to say what they do or what their interest is. If not, ask them and if they are not a buyer, thank them for visiting the booth and move on to the next visitor. In cases where a visitor is interested in selling a product or service, politely ask them to contact you after the



Sampling of Kinnow at FoodexSaudi

show. The focus should always be on high value visitors, and attention should be on target customers who are coming down the aisle and will pass by in only a few seconds. For all the expense for the three or four day show, perhaps half of the company's marketing budget, attention on the customers is essential. All the pre-show preparations, not just the money but the time, are for those key customers — new ones who are yet to know the company and products — who see the attractive booth and stop by to explore your products and hear your pitch.

## C. Writing Orders and Managing Contacts and Leads

For agricultural exporters, wholesale B2B shows are not always order writing but rather rely on requests for quotes and post-show follow up. Most Pakistani companies are diligent about collecting cards, stapled into a notebook with notes on what kind of follow up is required. One way to facilitate closing a deal after the show is to write up the basic information for a sale on a duplicate form with the exhibitor giving a copy to the buyer and the exhibitor holding on to an original in the order form book. This is also helpful to record a sample shipment request. Any

feedback from buyers on packaging and labeling should be noted, as this will help position the product in the market

Trade shows differ on what services are offered in terms of lead development. For some shows badges are barcoded, and scanners can be rented that read the badges and record the contact information, and classify the type of buyer according to their decision-making authority. For shows that do not have barcoded badges, or for exhibitors who have limited budgets, smart phones and tablets now have applications for scanning cards that help organize contacts at the show and after the show. These apps can be found online, often reviewed by online technical journals, which compare and rate the costs, device requirements, user friendliness and other features. <sup>5</sup>

Another option is to use a physical card scanner that will produce an image of the business card and, in most cases, convert the information on the card into a spreadsheet. These scanners can really help with managing cards at the show and facilitating lead follow up. As with the apps, these have specifications and requirements that have to be considered.<sup>6</sup>

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<sup>&</sup>lt;sup>5</sup> "Mobile apps galore for managing business cards," by Heather Clancy, for Small Business Matters, ZDnet, July 28, 2014. (http://www.zdnet.com/article/mobile-apps-galore-for-managing-business-cards/)

<sup>&</sup>lt;sup>6</sup> Source: http://business-card-scanner-review.toptenreviews.com/

# V. Post-Show Follow Up

## A. Categorizing and Prioritizing Leads

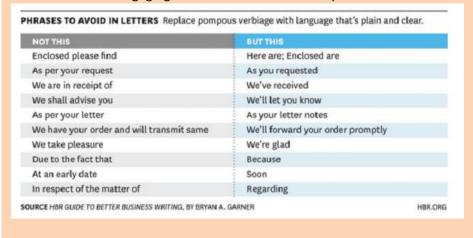
The activities after the show will often make or break at the end of the show and again back at the office. The first priority is to work on orders and sample requests to be shipped out right away. Then leads should be sorted out and prioritized, using an A, B, C system.

# Excerpt from "A Well-Crafted Letter Still Gets the Job Done" by Bryan A. Garner, Harvard Business Review, February 6, 2013

"Business letters aren't a quaint thing of the past. Write them well, and you'll create a lot of goodwill with clients, partners, and vendors. You'll increase your profits, too – by getting to customers to renew larger orders, for example, or persuading service providers to charge you less for repeat business. Here are some pointers to help you get those kinds of results with your letters.

**Focus on the reader.** Motivate people to act by giving them reasons that matter to them. And try not to begin with the word *I*; make it *you*, if possible (*You were so kind, You might be interested,* and so on)."

**Use direct language.** Write simply. Think of <u>Olympic diving</u>: neatly in, no splash, soon out. And if you're writing on behalf of your firm, use *we*. You see canned phrases like *enclosed please find* and *as per* all the time in letters. They're high-sounding but low-performing. Your letters will be much clearer and more engaging without them. Some examples:



"A" leads: These are current customers and new customers who are ordering or very likely to buy and are deemed reputable. They should receive letters (can be as emails faxes) or thanking them for visiting the booth, and preferably tailored to their specific needs as a customer. Important customers who did not make it to the booth or did not attend the show should receive follow up emails indicating that thev missed. Below advice on writing a good clear letter.

**"B" leads** are possible customers

by virtue of the business they do and left business cards but were not at the time specifically interested in buying – and should receive thank you for visiting the booth letters.

**"C"** leads are companies that are rated low in terms of short or long term potential but should still receive a short courtesy email. Changing market conditions can sometimes bring surprising inquiries in the future.

## **B.** Orders and Sample Requests from Key Buyers

"An LC is useful when reliable credit information about a foreign buyer is difficult to obtain, but the exporter is satisfied with the creditworthiness of the buyer's foreign bank. An LC also protects the buyer since no payment obligation arises until the goods have been shipped as promised."

Source: www.export.gov/tradefinanceguide/

Both re-orders from existing customers and new orders from new customers have to be handled wisely to ensure payment is not a problem. As the table below shows, what is best for the exporter is not best for the importer.

Trade shows give all the parties in the sale the opportunity to meet in person and make the commercial transaction easier, although, as the

table below shows, the Pakistani exporter will want to get paid through a letter of credit, especially when it involves container loads.

#### **Payment Risk Diagram**

	Least Secure	Less Secure	More Secure	Most Secure
Exporter	Consignment	Open Account	Letters of Credit	Cash-in-Advance

Source: http://www.export.gov/tradefinanceguide/

While the pressure to get results – and ship to buyers soon after the end of the show – companies need to take extra time and resources to check on any customers' reliability, even if payment by letters of credit feels secure. This can be done by using credit check service such as Dun & Bradstreet, Inc., and others too.. Avoiding losses by identifying customers with bad credit ratings is essential. Pakistan is serviced by the D&B office in Dubai, UAE:

National Bank of Fujairah Building, Level 7, Khalid Bin Walid Road (Bank Street), Bur Dubai, PO Box 72478, Dubai United Arab Emirates T +971 4 7027300 F +971 4 7027373 E info@dnbsame.com There is no single way to assess a credit risk. Asking for a credit sheet that lists credit references, which should always include banks, is a normal commercial practice. The commercial office of the Pakistan embassy in the importing country can be contacted for information on the importer.

Orders are what all companies want to come out from participating in a show. What is more challenging is how to incorporate the results of the show – sales, leads, and market information – into the company's marketing plan. Goals and objectives on product mix and pricing can change based on customer demand and requests so flexibility is essential to keeping up with the competition. Packaging and labeling innovations are typically changing rapidly so astute companies will change with the market.

One example from ASF trade show activities is a Pakistani kinnow exporter who is sending a sample shipment in an improved crate to a Saudi supermarket – by airfreight – to assess the commercial viability of this innovation.

Trade shows can motivate companies to more fully develop their business plan. All companies have some plans, whether it is on the back of an envelope, or a nicely packaged report that you can take to the bank. Trade shows help companies in executing their plans by both opening up all the possibilities in the market while at the same time revealing barriers. Trade shows help identify product compliance, and grades and standards, to be met in new markets. And for launching new products in the existing markets, trade shows will help construct a timeline for revenue.

In some cases the strength or weakness of the trade show itself can reflect where the overall industry segment is headed and this helps guide business strategy. Globalization has created great geographic shifts in supplying and buying, while at the same time the Internet has facilitated commercial relationships. After the first order from a customer, follow-ups with email, skype, web-based ordering keeps the buyer-supplier relationship tight. A supplier may not need to meet as often with the buyer to do business, but the connection and handshakes at trade shows remain a key component of marketing, promotion and sales activities.

Every year companies need to plan their trade show calendar based on last year's performance, trying to measure how the results of the show contributed to meeting, exceeding, or falling short of plan. Decisions on trade shows are integral to the health of the business.

- Keep the same show calendar and also keep the booth location consistent so that customers know where to find you. Don't change what is working
- To manage costs, do fewer shows and focus more on the high potential shows
- Be aggressive and expand the number of shows to increase the profile of the company, and build up the customer base.
- Instead of exhibiting, rely on import-distributors, selling from their booths.

#### **Annex 1: Web Resources, Studies, and Documents:**

#### Agricultural Export Promotion Websites – Selected Countries

- Australian Horticultural Exporter's Association (www.ahea.com.au)
- Meat & Livestock Australia (www.mla.com.au)
- Brazilian Beef Exporters Association (www.brazilianbeef.org.br)
- Chilean Exporters Association works in conjunction with the governments export body, ProChile: (www.chileanfreshfruit.com) (www.prochile.com)
- Jordan: Jordan Exporters Association: (www.jordanexporters.org)
- Kenya: Fresh Produce Exporters Association of Kenya (www.fpeak.org)
- Pakistan: Trade Development Authority of Pakistan (www.tdap.gov.pk)
- South Africa: The Fresh Produce Exporters' Forum (www.fpef.co.za)
- Turkey: Export Promotion Centre of Turkey (www.igeme.org.tr)
- Turkish Fruit Citrus Promotion Group (www.turkishcitrus.com)

#### **Studies and Documents**

Bathelt, Harald, Francesca Golfetto, and Diego Rinallo. *Trade Shows in the Globalizing Knowledge Economy*. Oxford University Press, 2014.

Bonoma, Thomas V. "Get More Out of Your Trade Shows." *Harvard Business Review* 61, no. 1 (1983): 75-83.

Chu, Mei-Chin, and Sui-Ming Chiu. "Effective Marketing Strategies to Attract Business Visitors at Trade Shows." *International Journal of Business and Management* 8, no. 24 (2013): p64.

Kaynak, Erdener, and Paul Herbig. Handbook of Cross-Cultural Marketing. Routledge, 2014.

Seringhaus, R., and Philip Rosson. "An Analysis Model Of Performance Measurement of International Trade Fair Exhibitors." *Wilfred Laurier University, mimeo* (2005).

Tafesse, Wondwesen. "The Marketing Functions of the Trade Show System." (2014).

International Trade Centre (ITC), Basics for Organizing Trade Fairs – A Guide for Developing Countries, Geneva: ITC, 2012. vii, 57 pages (Technical paper)

### **Annex 2: Sample of Trade Show Search**



# **Annex 3: Trade Show Budget**

	Budget	Actual	Variance
1. Exhibit Space			
Booth space			
Registration or other costs			
Exhibit Space Subtotal			
2. Display			
Design & manufacture			
Graphics			
Shelves & containers			
Lighting			
Display Subtotal			
4. Freight Transportation			
Shipping			
Drayage			
Storage			
Insurance			
Freight Transport Subtotal			
5. Show Services			
Install/dismantle			
Electrical			
Furniture rental			
Audiovisual			
Photography			
Telephone/Fax			
Security			
Cleaning			
Other labor			
Utilities (water, power, air)			
Show Services Subtotal			
6. Marketing			
Pre-show promotion			
Direct mail			
Public relations			
Trade magazine ads			
Show literature			
On-site promotions			
Telemarketing			
Post-show promotions			
Marketing Subtotal			
7. Personnel Costs			
Travel			
Hotel accommodations			
Meals & out-of-pocket			
Personnel Subtotal			
TOTAL TRADE SHOW COST	\$	\$	\$

#### **Annex 4: Sample Press Release**



PRESS RELEASE

FOR IMMEDIATE RELEASE

Contact: Mr. Saqib Asghar

Email: saqib.asghar@asf.org.pk

Websites: <a href="https://www.asf.org.pk">www.asf.org.pk</a> <a href="https://www.asf.org.pk">www.asf.org.pk</a>

Tel contact during Foodex: +966 (0) 56 570 1680

**Tel:** + 00923444475335

**US Contact:** Charlie Stathacos in New York

Tel contact during Foodex: +966 (0) 54 537 3465

Tel in NY: +0012125957122: Email Stathacos@gmail.com

Twitter: https://twitter.com/USAID ASF

**Facebook:** https://www.facebook.com/www.agribusiness.org.pk?fref=ts

#### DISCOVER THE TASTE AND AROMA OF PAKISTAN AT FOODEXSAUDI 2014: STAND E-35A

Jeddah, Saudi Arabia – Updated 17 November, 2014 – Pakistan, famous for its tasty cuisine and wide range of agricultural products, is expanding its exports of fresh and processed foods throughout the world. With the support of the Agribusiness Support Fund (ASF), funded by USAID, Pakistan food companies will be exhibiting at FoodexSaudi this year in Jeddah. The range of products to be presented reflects the goal of the ASF project: to enhance the competiveness of agricultural value chains in Pakistan, focusing in particular on the following value chains.

- **Apricot Value Chain**: Pakistan produces around 300,000 tons of fresh apricot, making it one of the world's largest producers.
- Banana Value Chain: Banana is cultivated on an area of 35,000 hectares in Pakistan, of which 90% is cultivated in Sindh, which produces about 126,000 tons annually.
- Chili Value Chain: Chili is grown on 63,000 hectares in Pakistan with a crop yield of 2.7 tons per hectare and an annual production of around 171,000 tons

- Citrus Value Chain: Citrus fruit makes up 37.8% of the total fruit production in Pakistan. Around 2.2 million metric tons of citrus fruit, mostly Kinnow, are produced.
- **Table Grapes Value Chain**: Grapes are a profitable summer fruit crops, grown on 15,280 hectares in Balochistan, Azad Jammu & Kashmir (AJK) and the Potohar region.
- **Meat Value Chain**: Pakistan is the 5th largest livestock producer in the world and has tremendous potential for supplying Halal meats to the Middle Eastern market.

#### Exhibiting companies include:

- F.A. International
- Farhad Enterprises
- MeatTech Pvt Ltd.,
- Paracha Enterprises
- SM Kinnow Factory,
- Sunny International
- Tata Best Foods
- Tazij Meats & Food

FoodexSaudi will take place from November 17<sup>th</sup>-20<sup>th</sup> and it is the most important food trade fair for Saudi Arabia, with more than 10,000 attendees expected to visit.

###

#### **Annex 5: Pre-show Planning Checklist**

- 1. Banners, signage, and posters for display (for the project and for companies)
- 2. Booth electricity for lighting and laptops (sometimes included in the booth package)
- 3. Booth furnishings (carpet, furniture, lighting, tables and chairs)
- 4. Booth layout (where each exhibitor will be located)
- 5. Booth supplies (catalog holders, paperclips, pens and pads, staplers and staples, scotch tape, poster tape)
- 6. Business cards (does each exhibiting company have at 200+)
- 7. Communication capabilities in the booth. Check with show management.
- 8. Email invitation to send to existing and potential customers with the booth number
- 9. Lead sheet (blank form for with space to write in company name and info, product interest, buying time frame, notes for follow up)
- 10. Marketing materials / Company Profiles
- 11. Order forms (generic triplicate forms are good)
- 12. Press release (to be posted on the show website, social media and emailed)
- 13. Product sheets with specifications (packaging sizes, case packs, bulk, etc.)
- 14. Sampling at show (paper plates, utensils, napkins, etc. hotplate for meat )
- 15. Shipment of samples (including plan for returning or forwarding samples)
- 16. Travel plans confirmed (name of hotel and flight arrival times)

# **Annex 6: Quote Form**

Quote by Company: Address: Phone: Fax: Mobile: Email:			Show: Date: Quote #	ł.		
Quote for: Company: Address: Phone: Email: Fax: Mobile:			Prepare	ed by:		
EST. SHIP DA	TE:	SHIPPING	FROM:			
QTY	DESCRIPTION	UNIT PRICE	UNIT CONTAI	- CASE, NER	PALLET,	COST
				Product Cost nport Taxes Administrative	e/Customs	

# **Annex 7: Export Price Calculator**

Type of expenses	%	Cost	
Value of the goods (loaded on leaving the factory)		\$10,000	
Cost of handling carriage before (from the factory to the port or to the airport)	е	\$500	
Fixed cost of export Customs formalities		\$200	
Handling costs (loading onto the airplane, the vessel or the truck in the case of groupage) in originating terminal	2	\$300	
Free on board		\$11,000	FOB
	_		
Total cost of the main transport (by air, sea or land)		\$3,000	
Cost of insurance for the main transport (based on CIF value)		\$500	
Cost of the Insurance and Freight		\$14,500	CIF
	<del>_</del> ,		
Cost of handling on arrival at the (air)port or bulk-breaking platform		\$400	
Customs duties (% of CIF)	5.00%	\$725	
Import taxes (% of CIF)	1.00%	\$145	
Cost of import Customs formalities (flat rate)		\$300	
Cost of carriage after (from the port (airport) to the buyer)		\$500	
Total: Delivered Duty Paid		\$16,570	DDP

**Source: Adapted from Santander Trade Portal** 

https://en.santandertrade.com/international-shipments/export-price-calculator